
Business Process Integrated Process Team Reports Successful Results

By

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In May 1998, the Deputy Secretary of Defense directed that efforts be undertaken to reinvent the foreign military sales (FMS) process. Since then, the Defense Security Cooperation Agency (DSCA) has developed a number of initiatives designed to increase transparency in the FMS process, improve internal business practices, and better develop the security cooperation civilian workforce. To facilitate the process in December 2000, the Director of DSCA, Lieutenant General Tome H. Walters, Jr., established four integrated process teams (IPTs). One of those IPTs was charged specifically with improving business processes.

The business processes IPT, held its first meeting on January 29, 2001 and its last on June 21, 2001. With Glenn Lazarus of DSCA as its team leader, the IPT consists of twenty-two members and representatives of DSCA, Defense Logistics Agency (DLA), the military departments, the Foreign Procurement Group, and U.S. defense industry. The team had a dynamic series of eleven meetings over a five-month period. In addition, a team led by Jerry Fronabarger of Information Spectrum, Inc., a DSCA contractor, provided key support to some of the Business Processes IPT activities. The goal of achieving dramatic improvements in critical measures of performance was for the IPT both challenging and stimulating.

Ultimately, it was determined that the IPT should focus its efforts on seven specific issues.

- Improve customer satisfaction and feedback into the FMS process;
- The identification of business metrics and the subsequent development of standard performance measures applicable at all levels of the security cooperation community;
- Implementation of an electronic (paperless) procedure to speed the Letter of Offer and Acceptance (LOA) coordination process;
- Development of an electronic how to book for the customer for Letter of Request (LOR) preparation;
- The identification of security cooperation best practices and making them available on the DSCA web site;
- Identification of one step in the Letter of Request and Letter of Offer and Acceptance (LOA) process that would produce value-added if eliminated or stopped; and
- Consider the utility of a Process Action Work Out Team (PAWOT) to look at the LOR/LOA process.

With only five months to tackle these issues, the business process IPT decided at the end of April, with the director's approval, to concentrate on three of the seven issues as initiatives to be rolled out at September's Security Cooperation 2001 - DSCA's annual security cooperation conference. It was determined that three of the remaining four should be developed as longer term business process reengineering initiatives. The last, the PAWOT was set aside as a management tool to be used at an appropriate time in the future. [Editor's note: DSCA has created

a new Business Process Reengineering (BPR) office under the Policy, Plans and Programs Directorate. Headed by Lazarus, the BPR office will deal not only with the remaining business process initiatives, but also with new, innovative ideas as they come to the forefront. BPR will be the subject of a future *Journal* article.]

Customer Satisfaction Index

The Business Processes IPT determined that listening to our customers was critical in identifying and meeting their needs, expectations, and consequently was crucial to our future success. Further, the IPT believed strongly that it was imperative that we provide each customer the opportunity to inform the security cooperation community on how we were meeting our commitment to them. It was with this in mind that the director, DSCA, directed and partially funded the Army to develop a pilot program known as the customer satisfaction index (CSI) that would measure the quality, timeliness and value of the services rendered to our FMS customers. The CSI was subsequently developed on the basic premise that today's partners expect open on-going relationships with their security assistance providers.

Clifford Crivello of United States Army Security Assistance Command (USASAC) led the Army effort. He points out that the Army-generated, web-based CSI responds to our cooperation partners' stated needs. It is a formal tool, vice the many informal existing ones, that captures the customer's voice. This unique management tool:

- Tells us how well business practices are working;
- Determines if and where improvements are needed, and where resources might be focused;
- Determines if changes made actually lead to improvements; and
- Determines how responsive the security cooperation community is to problems, and the speed with which they are resolved.

The customer satisfaction index consists of three phases:

- Phase I, A Base-Line Survey;
- Phase II, Security Assistance Query; and
- Phase III, Satisfaction Determination.

Figure 1 employs close-ended questions that are used to establish a base line of our customers' perceptions of our products and services. Phase II allows for complaints and queries - to be responded to within 72 hours (excluding weekends and holidays). Phase III is used to determine more specific customer satisfaction. Figure 2 captures the actual web page used by the Army to describe Phase III. The CSI will be conducted annually, as well as being event driven, e.g., after various phases of the FMS process. Figure 3 shows what the Pre-Letter Of Request/Letter Of Acceptance questionnaire looks like.

The CSI will allow the tracking of trends by country, by region, and even globally. Customers will be able to see their own data and cumulative data. Security assistance personnel will be able to see comparative data as well.

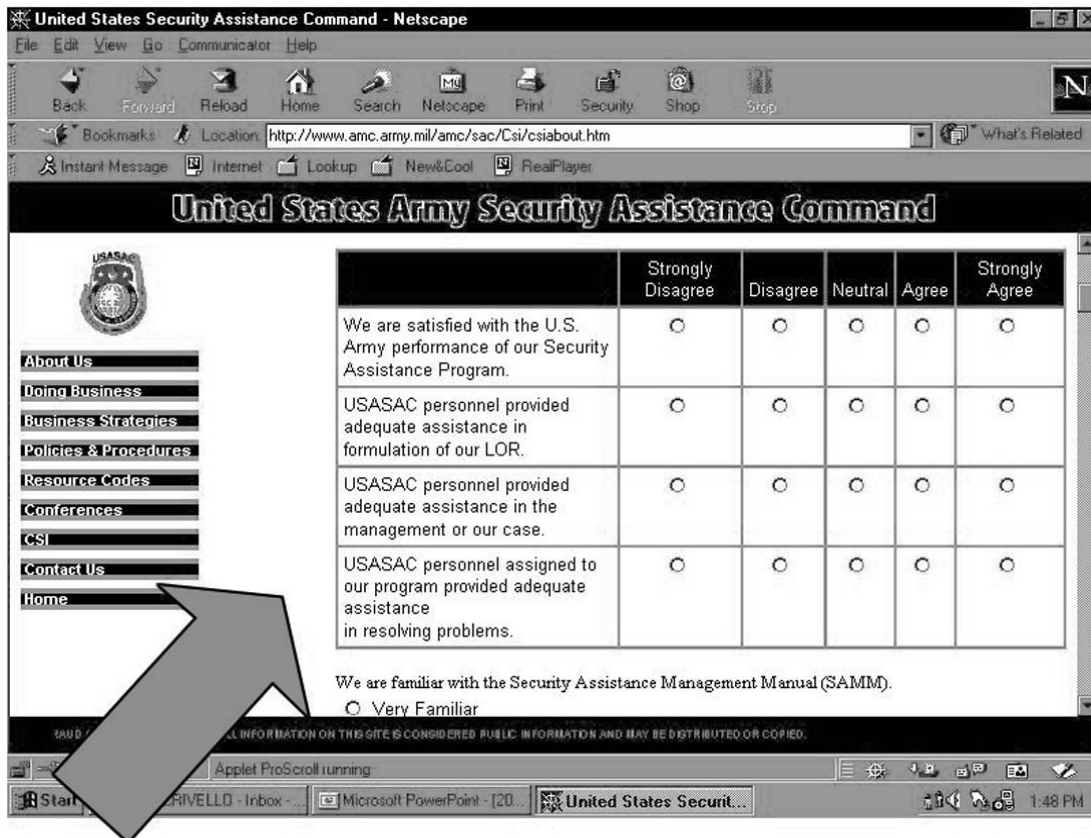


Figure 1

Phase I - Automated interactive survey, via the web

Figure 2

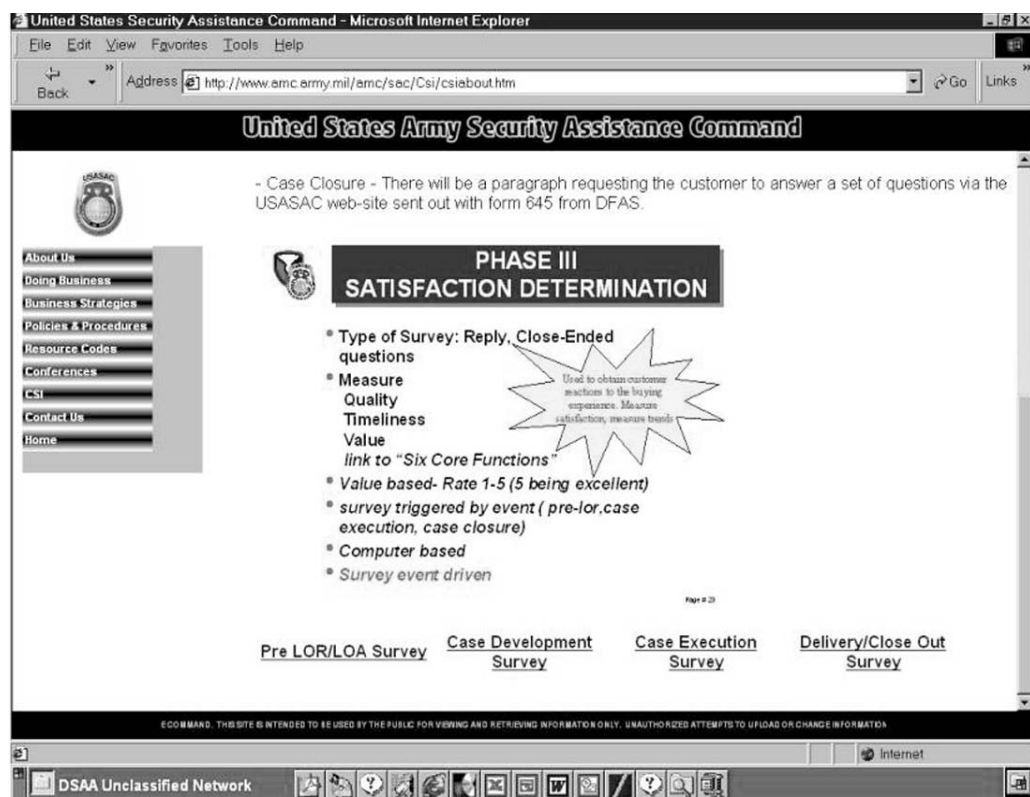


Figure 3

United States Army Security Assistance Command

SECTION 2 - Pre-LOR/LOA

Our P&A and/or other information requests are processed through:

- ☐ Our Embassy
- ☐ SAO
- ☐ Either
- ☐ Other
- ☐ Uncertain

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
We received timely responses to our requests for Price and Availability (P&A) data.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We receive timely responses to our requests for information.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We receive adequate guidance when additional information is required prior to processing of requests.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
If the information requested is delayed, we are advised of the reason(s) for the delay.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We are satisfied with the U.S. Army Pre-LOR performance compared to other nations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We are satisfied with the U.S. Army Pre-LOR performance as compared to other U.S. Military Services.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

What is your overall rating of how the U.S. Army provides Price and Availability data and information to facilitate a LOR?

- ☐ Excellent
- ☐ Very Good
- ☐ Good
- ☐ Fair
- ☐ Poor

Comments:

DSAA Unclassified Network

It is important to note that the CSI is the first real attempt by the security cooperation community to provide the customer with a vehicle to render a regular and systematic “report card” on how we are doing. The results definitely will shape the way we do business in the future as we build upon strengths and resolve shortcomings.

Electronic LOA Coordination

In early 2001, the security cooperation community committed to a goal of processing eighty percent of all LOAs from LOR receipt to offer within 120 days. Of this 120 day time line, IPT #4 found that roughly eighteen days were spent by the military departments in sending paper copies of LOAs to DSCA; the DSCA staff reviewing them; the obtaining of State Department approval; physically countersigning them; and sending them back to the implementing agency. More accurately, only half of all LOAs were passing through this part of the process in less than eighteen days.

As most readers are now aware, on August 13, 2001, the Security Cooperation Community implemented the use of electronic LOA countersignature procedures. This major innovation not only eliminated the necessity to mail or courier documents between the military departments and DSCA, but also allowed for parallel processing and review, vice sequential, throughout DSCA.

With our new electronic countersignature capability and associated business process changes, [see the article in *The DISAM Journal*, 24:1, “Electronic Case Coordination and Tracking - Team Effort”, pp. 126, now most LOAs complete this part of the process in seven days as compared to eighteen days previously. Specifically, between August 13th and November 30th 2001, we processed 883 cases with an average processing time of seven days. We expect even greater success after users become more familiar with the process. As familiarity increases and older

cases move on out through the system, we are hopeful that we can process most cases using these procedures in 3-4 days. In addition to the obvious time saving benefits, we are also confident that these new procedures will add consistency to our reviews, and allow comment information to be recorded in the Defense Security Assistance Management System (DSAMS).

The great success of this change is the direct result of true cooperation. This fast-paced, five month effort owes its success to the hard work performed at the military departments and the dedication of the Defense Security Assistance Development Center.

Customer LOR Guide

When the Business Process IPT learned that it was taking an average of 45 days for customers to generate LORs with sufficient information that could allow for an accurate LOA to be produced, the IPT set for itself a goal of producing an electronic customer LOR guide. The purpose of this guide was to speed up processing time by instituting more consistent input from the customers, and fewer returns for incomplete information.

A real team effort by international customers, military departments, DSCA and contractor support resulted in a product that is not only web-based on the DSCA home page <http://www.dsca.osd.mil>, but also produced in a CD ROM version for those customers not always having ready internet connectivity. The fact that over 200 CDs were distributed at Security Cooperation 2001, attests to the community's interest in the product. Initial feedback on the LOR Guide has been very positive, both with our international partners and with our security assistance officers who use it as a refresher to their DISAM instruction.

If the customer takes advantage of the information and LOR checklists contained in the guide, he or she will provide the security cooperation community with more precisely defined requirements documents. Further, by using the addressee information contained in the guide, the likelihood of complete distribution of LORs to all U.S. government interested parties will increase.

In conclusion, the business processes IPT members found the IPT process to be very worthwhile. The dynamics brought to the table by having the foreign procurement group and U.S. industry participate was extremely worthwhile. "Transparency" permeated throughout everything the IPT did. The business process IPT, as a working group, is now relegated to the pages of security cooperation history, but the business processes it identified still require attention. When Security Cooperation 2002 rolls around next 16-17 October, we are confident that there will be more "good news" stories to report.

About the Author

Glenn A. Lazarus is presently in charge of Business Process Reengineering in the Policy Plans and Programs Directorate of DSCA. He previously served at DSCA as the team leader for the Business Processes' Integrated Process Team, and as Deputy Director in the Americas and Sub-Saharan Africa Division. Glenn is a career civil servant, and retired Army Lieutenant Colonel. He has a bachelors degree in English and an masters degree in international relations. Glenn has over twenty years experience in the Office of the Secretary of Defense